

Quarterly Financial Report 2014

Logwin AG



 **LOGWIN**

Your Logistics.

Key Figures 1 January – 31 March 2014

Group	<i>In thousands of EUR</i>	2014	2013
Revenues		278,533	320,696
<i>Change on 2013</i>		-13.1%	
Operating result (EBIT)		8,048	8,016
<i>Margin</i>		2.9%	2.5%
Net result		5,424	4,573
Operating cash flow		-7,700	-1,197
Net cash flow		-7,832	-2,646

Business Segments	<i>In thousands of EUR</i>	2014	2013
Solutions			
Revenues		127,688	171,472
<i>Change on 2013</i>		-25.5%	
Operating result (EBIT)		3,201	3,175
<i>Margin</i>		2.5%	1.9%
Air + Ocean			
Revenues		151,296	148,913
<i>Change on 2013</i>		1.6%	
Operating result (EBIT)		6,425	6,038
<i>Margin</i>		4.2%	4.1%

		31 Mar 2014	31 Dec 2013
Equity ratio		27.5%	26.3%
Net liquidity (<i>in thousand of EUR</i>)		30,416	37,931
Number of employees		4,303	4,514

The quarterly financial report 2014 is published both in English and German. The English version is a translation from the German original, which is authoritative.

Group Interim Management Report

Overall conditions and general business development

Worldwide economic data signaled a moderate upswing for the first quarter of 2014. However, political uncertainty caused by the crisis in the Ukraine and Russia and unfavorable movements in the exchange rates of key emerging market currencies as a result of considerable capital outflows over the past few months led to a slowdown in economic sentiment. These developments started to have an impact on the business performance of the Logwin Group.

The German economy is currently showing a resilient performance. However due to the geopolitical developments and the resulting economic impact, the climate in the German logistics industry has worsened somewhat compared with the prior period.

The Logwin Group achieved a steady performance at the beginning of 2014 and was able to increase its net result for the period compared to the prior year. Revenues fell on the prior year due to the disposals and closures of subsidiaries and locations in the Solutions business segment completed in 2013. On the whole, the Group was able to improve considerably its operating margin compared to the prior year due to the continued pleasing profitability of its Air + Ocean business segment and due to the focus on core activities in the Solutions business segment in 2013.

Earnings position

Logwin Group In the first three months of financial year 2014, total revenues of the Logwin Group of EUR 278.5m were 13.1% below the prior year figure of EUR 320.7m, which is a result of the disposals in the Solutions business segment. Here, a number of business activities were discontinued or sold in 2013. Revenues generated by the Air + Ocean business segment were slightly above the prior year level.

At 8.8%, the gross margin remained unchanged on the prior year. Due to the overall decline in revenues, gross profit in the first quarter of 2014 amounting to EUR 24.5m fell short of the prior year figure of EUR 28.2m. Selling, general and administrative costs decreased from EUR 20.4m in the first quarter of the prior year to EUR 17.8m in 2014.

Operating result (EBIT) in the first three months of 2014 was EUR 8.0m and is thus at the prior year level. Compared with the same period in 2013, the operating margin rose from 2.5% to 2.9% in the first quarter of 2014.

The financial result improved from EUR -1.6m in the first quarter of 2013 to EUR -1.2m in 2014 due to the early repayment of a long term loan in the prior year. Income tax charges fell slightly from EUR -1.8m in prior year to EUR -1.5m in the first three months of 2014.

The Logwin Group's net result of EUR 5.4m in the first quarter of 2014 exceeded the prior year figure of EUR 4.6m by EUR 0.8m.

Solutions Revenues in the Solutions business segment totaled EUR 127.7m in the first quarter of 2014 and were thus 25.5% below the prior year revenues of EUR 171.5m. The decrease was mainly due to sales of subsidiaries and locations in the prior year. The operating result of the business segment remained at the prior year level at EUR 3.2m. Positive one-off effects, in particular from the sale of business operations, and negative non-recurring expenses in connection with cost reductions and capacity adjustments nearly offset each other. The operating margin recorded an improvement from 1.9% in the prior year period to 2.5% in the first quarter of 2014.

Air + Ocean The Air + Ocean business segment generated revenues of EUR 151.3m in the first quarter of 2014, which slightly exceeded the prior year figure of EUR 148.9m (up 1.6%). The volume trend was positive for both air and ocean freight and exceeded market growth. Furthermore, the freight rates increased slightly on average in the first quarter. However, ocean and air freight rates in the first quarter remained volatile, reflecting the global market and competitive environment. Weaker exchange rates in several important regions for the business segment gave rise to offsetting effects. The operating result of the business segment rose from EUR 6.0m in the prior year period to EUR 6.4m in the first three months of the reporting period. Southeast Asia made a significant contribution to the profit increase.

Financial and net asset position

The Logwin Group's cash flows from operating activities was EUR -7.7m in the first quarter of 2014 (prior year: EUR -1.2m). The prior year figure included a net cash inflow of EUR 11.7m from the utilization of the factoring line. Adjusted for this effect, operating cash flows increased by EUR 5.2m in the first quarter of 2014 compared with the prior year, which was primarily attributable to an improvement in working capital.

Cash flows from investing activities in the first three months of the financial year came to EUR -0.1m (prior year: EUR -1.4m) and included a cash inflow of EUR 1.2m (prior year: EUR 0.2m) from the disposal of consolidated subsidiaries and other business operations. The adjusted investing activities were therefore slightly below the prior year level.

The Logwin Group's net cash flows in the first quarter came to EUR -7.8m (prior year: EUR -2.6m).

Cash outflows from financing activities fell from EUR -3.5m in the respective period of the prior year to EUR -1.1m in the first quarter of 2014.

The Logwin Group's total assets came to EUR 350.3m at the end of the reporting period (31 December 2013: EUR 345.4m). As of 31 March 2014, non-current assets of EUR 136.0m (31 December 2013: EUR 137.0m) mainly included goodwill of EUR 74.9m (31 December 2013: EUR 74.9m) and property, plant and equipment of EUR 38.2m (31 December 2013: EUR 39.1m). The Logwin Group's current assets at the end of the first quarter 2014 came to EUR 214.3m,

compared with EUR 208.4m as of 31 December 2013. Trade accounts receivable contained in this figure, which came to EUR 140.8m as of 31 March 2014 and exceeded the year end figure of EUR 125.6m due to seasonal factors. Furthermore, current assets included cash and cash equivalents of EUR 50.3m (31 December 2013: EUR 58.6m). Trade accounts receivable were reduced as of 31 March 2014 by the amount used under the factoring line totaling EUR 6.1m (31 December 2013: EUR 6.0m).

The Logwin Group's equity as of 31 March 2014 came to EUR 96.5m, compared with EUR 90.9m as of 31 December 2013. The equity ratio rose from 26.3% on 31 December 2013 to 27.5% at the end of the first quarter 2014.

Non current liabilities increased to EUR 45.7m at the end of the first quarter of 2014 (31 December 2013: 46.0m) and mainly included pension provisions and similar obligations of EUR 28.4m, which matched the prior year level. Current liabilities amounted to EUR 208.1m as of 31 March 2014 (31 December 2013: EUR 208.4m) and consisted mainly of trade accounts payable of EUR 140.3m (31 December 2013: EUR 142.6m).

Assets disclosed as "held for sale" of EUR 3.1m as of 31 December 2013 and the related liabilities of EUR 1.8m have been disposed of according to plan in the first quarter of 2014 as part of the sale of five eastern European subsidiaries agreed in December 2013.

The positive net liquidity fell from EUR 37.9m as of 31 December 2013 to EUR 30.4m as of 31 March 2014, as a result of seasonal effects.

The rating by Standard & Poor's for the Logwin Group (corporate credit rating) remained unchanged in the first three months of 2014 at "B+."

Employees

As of 31 March 2014, the Logwin Group had 4,303 employees worldwide (31 December 2013: 4,514). Headcount fell by 211 mainly due to the sale of subsidiaries in the Solutions business segment taking effect in January 2014.

Other reporting

Annual General Meeting The Annual General Meeting of Logwin AG was held in Luxembourg on 9 April 2014. The individual agenda items can be viewed in the notification to all shareholders on the Logwin website under: www.logwin-logistics.com/investors. All the proposals of the Board of Directors, including the approval of the annual financial statements and the consolidated financial statements for the financial year ended 31 December 2013, were confirmed and adopted by the majority of shareholders.

Members of the Board of Directors and the Executive Committee The previous Chairman of the Board of Directors and the Executive Committee (Chief Executive Officer) Berndt-Michael Winter relinquished his position at Logwin AG with effect from the end of the Annual General Meeting on 9 April 2014. The Annual General Meeting reappointed Dr. Michael Kemmer, Dr. Yves Prussen and Dr. Antonius Wagner and elected Sebastian Esser for the first time as members of the Board of Directors. The Board of Directors elected Dr. Antonius Wagner as Chairman and Dr. Yves Prussen as Deputy Chairman of the Board of Directors.

Dr. Antonius Wagner assumed the position of Chief Executive Officer of the Executive Committee. The other members of the Executive Committee are Thomas Eisen, Sebastian Esser, Hauke Müller and Tomas Sonntag.

Investigations by Austrian Federal Competition Authorities With regard to the ongoing antitrust proceedings against members of the so-called forwarding agents' conference (Speditionssammelkonferenz), which includes three companies belonging to the Logwin Group, the Austrian Supreme Court remanded the legal procedure to the Vienna Higher Regional Court as the court of first instance by resolution dated 2 December 2013 – delivered 14 January 2014 – following the preliminary ruling on legal questions relating to European law and indicated that the defendants will likely be convicted. The defendants were ordered by the Vienna Higher Regional Court to comment on the revenues in the assessment period within a specified period of time. A provision has been recognized in order to account for potential risks arising from this matter. For more information, please see the 2013 annual financial report.

Claim for backpayment of import VAT The independent tax tribunal (Finanzsenat) in Salzburg has suspended proceedings pending a decision by the Austrian Supreme Administrative Court in a similar case relating to a claim for backpayment of import VAT for customs clearances that Logwin Road + Rail Austria GmbH performed with joint and several liability on behalf of customers who are now alleged to have been part of a missing trader (VAT carousel) fraud. There were no changes in the first three months of 2014 that would have required a reassessment of the status as of 31 December 2013. We refer in this matter to the 2013 annual financial report.

Outlook

Based on current economic forecasts, the Logwin Group expects the global economic environment to continue its recovery in 2014 in spite of the fact that economic growth will likely be more sluggish than in previous months. Turbulence on the financial markets of key emerging countries, political uncertainty and the risk of rising commodity prices worldwide are viewed as the primary factors restricting economic growth.

The Logwin Group anticipates a decrease in revenues in the current financial year compared with the prior financial year due to the completed sales of business operations and closures of individual locations in the Solutions business segment in 2013. The increased volume in the Air + Ocean business segment resulting from continued customer success and consistent improvements in efficiency driven by the sales organization and operating areas, cannot offset the decline in revenues in full in the year 2014. Assuming a persistent positive volume trend, revenue growth in the Air + Ocean business segment will likely continue to be shaped by volatile freight rates.

The profitability of the Logwin Group is expected to improve as a result of past and ongoing cost reductions and optimization measures as well as an anticipated slight increase in earnings in the Air + Ocean business segment.

Consolidated Interim Financial Statements

Income Statement

1 January - 31 March	<i>In thousands of EUR</i>	2014	2013
Revenues		278,533	320,696
Cost of sales		-254,028	-292,546
Gross profit		24,505	28,150
Selling costs		-6,264	-6,449
General and administrative costs		-11,529	-13,989
Other operating income		2,054	1,704
Other operating expenses		-718	-1,400
Operating result		8,048	8,016
Finance income		54	105
Finance expenses		-1,225	-1,747
Net result before income taxes		6,877	6,374
Income taxes		-1,453	-1,801
Net result		5,424	4,573
Attributable to:			
Shareholders of Logwin AG		5,333	4,407
Non-controlling interests		91	166
Earnings per share - basic and diluted (in EUR):			
Net result attributable to the shareholders of Logwin AG		0.04	0.03
Weighted average number of shares outstanding		146,257,596	146,257,596

Statement of Comprehensive Income

1 January - 31 March	<i>In thousands of EUR</i>	2014	2013
Net result		5,424	4,573
Unrealized gains on securities, available-for-sale		14	9
Unrealized gains on cash flow hedges (interest rate swaps)		40	175
Gains on currency translation of foreign operations		29	763
Other comprehensive income that may be reclassified into profit or loss in future periods		83	947
Other comprehensive income		83	947
Total comprehensive income		5,507	5,520
Attributable to:			
Shareholders of Logwin AG		5,416	5,354
Non-controlling interests		91	166

The accompanying notes are an integral part of these consolidated interim financial statements.

Statement of Cash Flows

1 January - 31 March	<i>In thousands of EUR</i>	2014	2013
Net result before income taxes		6,877	6,374
Financial result		1,171	1,642
Net result before interest and income taxes		8,048	8,016
Reconciliation adjustments to operating cash flows:			
Depreciation and amortization		1,933	2,664
Result from disposal of non-current assets		-703	197
Other		-1,674	-1,018
Income taxes paid		-858	-783
Interest paid		-574	-652
Interest received		54	105
Changes in working capital, cash effective:			
Change in receivables		-16,739	-14,304
Change in payables		3,049	-7,177
Change in inventories		-264	93
Net cash inflow from utilizing the factoring facility		28	11,662
Operating cash flows		-7,700	-1,197
Capital expenditures		-1,220	-1,382
Proceeds from disposals of consolidated subsidiaries and other business operations, net of cash and cash equivalents		1,156	178
Proceeds from disposals of non-current assets		116	102
Payments for acquisitions of subsidiaries		-179	-200
Other cash flows from investing activities		-5	-147
Investing cash flows		-132	-1,449
Net cash flow		-7,832	-2,646
Repayment of current loans and borrowings		-633	-2,698
Payment of liabilities from leases		-428	-736
Other cash flows from financing activities		-	21
Financing cash flows		-1,061	-3,455
Effects of exchange rate changes on cash and cash equivalents		95	244
Changes in cash and cash equivalents		-8,798	-5,857
Cash and cash equivalents at the beginning of the year according to the balance sheet		58,646	53,931
Plus cash and cash equivalents which were part of a disposal group as of 31 December 2013		424	-
Cash and cash equivalents at the beginning of the year		59,070	53,931
Change		-8,798	-5,857
Cash and cash equivalents at the end of the period		50,272	48,074

The accompanying notes are an integral part of these consolidated interim financial statements.

Balance Sheet

Assets	<i>In thousands of EUR</i>	31 Mar 2014	31 Dec 2013
Goodwill		74,864	74,865
Other intangible assets		3,805	3,926
Property, plant and equipment		38,153	39,072
Investments		767	760
Deferred tax assets		16,724	16,886
Other non-current assets		1,650	1,452
Total non-current assets		135,963	136,961
Inventories		2,865	2,601
Trade accounts receivable		140,757	125,590
Income tax receivables		2,264	2,262
Other receivables and current assets		18,162	16,239
Cash and cash equivalents		50,272	58,646
Assets held for sale		-	3,104
Total current assets		214,320	208,442
Total assets		350,283	345,403

Liabilities and Shareholders' Equity	<i>In thousands of EUR</i>	31 Mar 2014	31 Dec 2013
Ordinary shares		131,202	131,202
Group reserves		-37,192	-42,608
Equity attributable to the shareholders of Logwin AG		94,010	88,594
Non-controlling interests		2,443	2,352
Shareholders' equity		96,453	90,946
Non-current liabilities from leases		14,170	14,432
Pension provisions and similar obligations		28,373	28,403
Other non-current provisions		2,544	2,507
Deferred tax liabilities		45	48
Other non-current liabilities		574	618
Total non-current liabilities		45,706	46,008
Trade accounts payable		140,318	142,594
Current liabilities from leases		1,473	1,561
Current loans and borrowings		4,213	4,722
Current provisions		12,335	11,994
Income tax liabilities		3,768	3,318
Other current liabilities		46,017	42,417
Liabilities associated with assets held for sale		-	1,843
Total current liabilities		208,124	208,449
Total liabilities and shareholders' equity		350,283	345,403

The accompanying notes are an integral part of these consolidated interim financial statements.

Statement of Changes in Equity

	Equity attributable to the shareholders of Logwin AG							Total	Non-controlling interests	Total shareholders' equity
	Ordinary shares – voting, no-par value	Capital reserves	Retained earnings	Accumulated other comprehensive income						
				Available-for-sale reserve	Cash flow hedge reserve	Currency translation reserve				
<i>In thousands of EUR</i>										
1 January 2013	131,202	92,321	-126,011	-73	-1,234	-653	95,552	2,602	98,154	
Net result			4,407				4,407	166	4,573	
Other comprehensive income				9	175	763	947		947	
Total comprehensive income			4,407	9	175	763	5,354	166	5,520	
31 March 2013	131,202	92,321	-121,604	-64	-1,059	110	100,906	2,768	103,674	
1 January 2014	131,202	59,843	-97,158	-58	-609	-4,626	88,594	2,352	90,946	
Net result			5,333				5,333	91	5,424	
Other comprehensive income				14	40	29	83		83	
Total comprehensive income			5,333	14	40	29	5,416	91	5,507	
31 March 2014	131,202	59,843	-91,825	-44	-569	-4,597	94,010	2,443	96,453	

The accompanying notes are an integral part of these consolidated interim financial statements.

Notes to the Consolidated Interim Financial Statements as of 31 March 2014

1 Basis of accounting

These consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union. In particular, the regulations of IAS 34 on interim financial reporting were applied.

The accounting policies as well as disclosures are based on the consolidated financial statements of Logwin AG as of 31 December 2013, except for those disclosed in note 3 „New accounting provisions“.

The consolidated interim financial statements have been approved by the Audit Committee of Logwin AG on 30 April 2014.

2 Consolidation scope

In addition to Logwin AG as the parent company, the fully consolidated subsidiaries include two domestic and 63 foreign companies as of 31 March 2014 (31 December 2013: two domestic and 67 foreign companies).

The consolidated entities including Logwin AG have developed as follows:

	31 Dec 2013	Additions	Disposals	31 Mar 2014
Luxembourg	3	-	-	3
Germany	21	1	-	22
Other countries	46	-	5	41
Total	70	1	5	66

The addition relates to a newly established entity in March 2014. The disposals concern the sale of five European subsidiaries which had been allocated to the Solutions business segment.

3 New accounting provisions

The International Accounting Standards Board (IASB) and the IFRS Interpretations Committee (IFRS IC) have published new accounting provisions in recent years. The table below contains the new standards and interpretations that had to be adopted for the first time for financial year 2014:

Standard/interpretation			Mandatory adoption (in the EU) for the annual period beginning on or after	Endorsement
Revised standard	IAS 27	Separate Financial Statements	1 January 2014*	Yes
Revised standard	IAS 28	Investments in Associates and Joint Ventures	1 January 2014*	Yes
Amendment	IAS 32	Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities	1 January 2014	Yes
Amendment	IAS 36	Impairment of Assets - Recoverable Amount Disclosures for Non-Financial Assets	1 January 2014	Yes
Amendment	IAS 39	Financial Instruments: Recognition and Measurement - Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014	Yes
New standard	IFRS 10	Consolidated Financial Statements	1 January 2014*	Yes
New standard	IFRS 11	Joint Arrangements	1 January 2014*	Yes
New standard	IFRS 12	Disclosures of Interests in Other Entities	1 January 2014*	Yes
Amendment	IFRS 10 IFRS 11 IFRS 12	Transition Guidance	1 January 2014*	Yes
Amendment	IFRS 10 IFRS 12 IAS 27	Investment Entities	1 January 2014	Yes

* The effective date was changed for EU companies in comparison to the original standard.

IFRS 10 “Consolidated Financial Statements” is based on existing principles. IFRS 10 centers on the introduction of a uniform consolidation model for all entities based on the control of the subsidiary by the parent. The first-time adoption of IFRS 10 did not have any impact on the classification of investments currently held by the Group.

IFRS 11 “Joint Arrangements” replaces IAS 31 “Interests in Joint Ventures” and SIC-13 “Jointly Controlled Entities – Non-Monetary Contributions by Venturers.” IFRS 11 removes the option to account for jointly controlled entities using proportionate consolidation. As the Logwin Group does not consolidate any existing interest on a proportionate basis in the current financial year, this change did not have any effect on these interim financial statements.

IFRS 12 “Disclosure of Interests in Other Entities” provides standard rules governing disclosure obligations for shares in subsidiaries (previously regulated in IAS 27), in jointly controlled entities and associates (previously IAS 31 and IAS 28) as well as non-consolidated structured entities. None of the disclosures required by the new standard are applicable to interim financial reporting, unless significant events or transactions may occur. Accordingly, the disclosures under IFRS 12 will be made in the notes to the consolidated financial statements as of 31 December 2014.

First-time adoption of the other provisions also did not have any significant effects on the consolidated interim financial statements of Logwin AG.

4 Segment reporting

The classification of segments is made according to the business segments of the Logwin Group. The segment structure reflects the current organizational and management structure of the Logwin Group. This means that reporting is in line with the requirements of IFRS 8.

Transactions between the segments are made at “arm’s length,” identical with transactions with third parties. The information on the business segments is reported after consolidation of intrasegment transactions. Transactions between the segments are eliminated in the column “Consolidation.”

The tables below set forth segment information of the business segments.

1 January - 31 March 2014	<i>In thousands of EUR</i>	Solutions	Air + Ocean	Other	Consolidation	Group
External revenues		126,902	150,711	921	-	278,533
Intersegment revenues		786	586	804	-2,176	-
Revenues		127,688	151,296	1,724	-2,176	278,533
Operating result		3,201	6,425	-1,578	-	8,048
Financial result						-1,171
Income taxes						-1,453
Net result						5,424

1 January - 31 March 2014	<i>In thousands of EUR</i>	Solutions	Air + Ocean	Other	Consolidation	Group
External revenues		170,955	148,526	1,215	-	320,696
Intersegment revenues		517	386	662	-1,566	-
Revenues		171,472	148,913	1,877	-1,566	320,696
Operating result		3,175	6,038	-1,197	-	8,016
Financial result						-1,642
Income taxes						-1,801
Net result						4,573

As of 31 December 2013, assets held for sale and the associated liabilities comprised the assets and liabilities of five consolidated companies of the Solutions business segment for which a signed purchase and transfer agreement existed at the end of reporting period. These subsidiaries were sold in January 2014 effective as of 31 December 2013. The assets and liabilities disposed of included EUR 424k in cash and cash equivalents.

5 Assets held for sale and associated liabilities

The following table shows the fair values of derivative financial instruments and material non-current financial instruments whose fair value could be reliably determined as of 31 March 2014 and 31 December 2013:

6 Additional information on financial instruments

	<i>In thousands of EUR</i>	Fair Value	
		31 Mar 2014	31 Dec 2013
Available-for-sale financial assets		579	565
Derivative financial instruments from currency hedges			
with positive market value		191	96
with negative market value		-761	-543
Derivative financial instruments from interest rate hedges (hedge accounting)		-570	-610
Non-current liabilities from leases*		-15,264	-17,736

* The carrying amounts are stated in the balance sheet on page 8.

Available-for-sale financial assets are reported as investments in the balance sheet. Derivative financial instruments from currency hedges are presented under other receivables and current assets or other current liabilities, while derivatives designated as hedging instruments (interest rate swaps) are reported as other non-current liabilities. We refer to the annual financial report 2013 for disclosure regarding the methods and assumptions used to determine the fair value of financial instruments.

Current loans and borrowings as well as cash and cash equivalents include EUR 1.9m (31 December 2013: EUR 4.0m) from payments made by customers that must be passed on directly under the factoring agreement.

7 Contingent liabilities and lawsuits

In the first three months there were no material changes in contingent liabilities in respect of bank and other guarantees, letters of comfort and other liabilities arising in the ordinary course of business. It can be assumed that no significant obligations will arise.

With regard to the ongoing antitrust proceedings against members of the so-called forwarding agents' conference (Speditionssammelkonferenz), which includes three companies belonging to the Logwin Group, the Austrian Supreme Court remanded the legal procedure to the Vienna Higher Regional Court as the court of first instance by resolution dated 2 December 2013 – delivered 14 January 2014 – following the preliminary ruling on legal questions relating to European law and indicated that the defendants will likely be convicted. The defendants were ordered by the Vienna Higher Regional Court to comment on the revenues in the assessment period within a specified period of time. A provision has been recognized in order to account for potential risks arising from this matter. For more information, please see the 2013 annual financial report.

The independent tax tribunal (Finanzsenat) in Salzburg has suspended proceedings pending a decision by the Austrian Supreme Administrative Court in a similar case relating to a claim for backpayment of import VAT for customs clearances that Logwin Road + Rail Austria GmbH performed with joint and several liability on behalf of customers who are now alleged to have been part of a missing trader (VAT carousel) fraud. There were no changes in the first three months of 2014 that would have required a reassessment of the status as of 31 December 2013. We refer in this matter to the 2013 annual financial report.

The consolidated interim financial statements were neither audited according to articles 69 and 340 of the Luxembourg law dated 10 August 1915 with all following changes, nor limited reviewed by an auditor.

8 External review

No significant events occurred after the reporting period.

9 Subsequent events

